

**CALENDAR ITEM
C67**

A 56
S 28

06/29/15
PRC 3642.1
R. Collins

GENERAL LEASE – RIGHT-OF-WAY USE

APPLICANT:

Southern California Gas Company

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the historic bed of the Colorado River, in the city of Blythe, Riverside County.

AUTHORIZED USE:

Use and maintenance of two existing 30-inch gas transmission pipelines (Line 2000 and Line 2001), an existing 36-inch gas transmission pipeline (Line 5000), an abandoned 30-inch gas transmission pipeline (Line "C"), and a portion of a fenced regulator station.

LEASE TERM:

20 years, beginning December 19, 2012.

CONSIDERATION:

\$4,020 per year, with an annual Consumer Price Index adjustment and the State reserving the right to fix a different rent per terms of the lease.

SPECIFIC LEASE PROVISIONS:

Insurance: Liability insurance in an amount no less than \$10,000,000 per occurrence. Applicant may satisfy all or part of the insurance requirements through maintenance of a staff approved self-insurance program as outlined in the Lease.

OTHER PERTINENT INFORMATION:

1. Applicant has the right to use the lease premises.
2. On December 19, 1946, the Commission authorized a 15-year General Lease - Right-of-Way Use, Lease No. PRC 276.1, to Southern California Gas Company and Southern Counties Gas Company with a 10-year renewal option for the construction of a suspension bridge and 30-inch welded steel gas pipeline across the Colorado River. A renewal was requested, but processing was delayed pending the outcome of litigation

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between the State Division of Highways and private landowners as to the location of the west bank of the Colorado River.

3. A court ordered judgment in the litigation fixed the State boundary at the 1874 meander line. This decision placed the State boundary some distance landward of the actual river bank, and brought three other gas pipelines under State Lands Commission jurisdiction. On October 27, 1966, the Commission authorized a 15-year General Lease – Right-of-Way Use, Lease No. PRC 3642.1, to Southern California Gas Company and Southern Counties Gas Company with three, 10-year renewal options for four gas pipelines.
4. On January 7, 1970, the Commission amended Lease No PRC 3642.1 to allow for the abandonment and removal of a 30-inch gas pipeline affixed to the framework of the Ehrenberg Bridge and to replace it with a 36-inch gas pipeline under the Colorado River. The new gas pipeline was connected to existing gas pipelines and required additional area in two of the three lease parcels.
5. On April 12, 1988, the Commission terminated Lease No. PRC 3642.1, a General Lease – Right-of-Way Use, effective December 18, 1987, and authorized issuance of a 25-year General Lease – Right-of-Way Use to Southern California Gas Company, beginning December 19, 1987, for natural gas transmission pipelines. The lease expired on December 18, 2012, and the Applicant is now applying for a General Lease – Right-of-Way Use.
6. Staff has become aware the 30-inch abandoned gas pipeline affixed to the Ehrenberg Bridge and connecting to the regulator station was never removed as originally proposed. Within two years of authorization of the Lease, the Applicant will be required to prepare and submit a work plan to restore the Lease Premises pursuant to Section 3, paragraph 13 or provide evidence to staff as to why the abandoned gas pipeline should remain in place.
7. The Applicant has provided staff with copies of inspection reports made during December 2012 for Line 2000, 2001, and 5000. Internal inspections of the pipelines are conducted according to 49 CFR 192 Subpart O and PHMSA Gas Transmission Integrity Management: Inspection Protocols. Internal inspections are carried out every seven years. External inspections of the pipelines are conducted according to 49 CFR 192.459 and are carried out every three years. Staff's review of the inspection reports found no substandard conditions were reported.

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8. The staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.

9. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

- A. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

SIGNIFICANT LANDS INVENTORY FINDING:

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

AUTHORIZATION:

Authorize issuance of a General Lease – Right-of-Way Use to Southern California Gas Company beginning December 19, 2012, for a term of 20 years, for use and maintenance of two existing 30-inch gas transmission pipelines, an existing 36-inch gas transmission pipeline, an abandoned 30-inch gas transmission pipeline, and a portion of a fenced regulator station, as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual

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rent in the amount of \$4,020 with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$10,000,000 per occurrence. Applicant may satisfy all or part of the insurance requirements through maintenance of a staff approved self-insurance program as outlined in the Lease.

EXHIBIT A

PRC 3642.1

LAND DESCRIPTION

Four parcels of State owned sovereign land situate in the historic channel of the Colorado River, County of Riverside, State of California and more particularly described as follows:

PARCEL 1 (Lines "A" and "B" - 30 inch pipeline – Line 2000)

A strip of land 50 feet wide, lying 25 feet on each side of the following described center line:

COMMENCING at a 1¼ inch iron pipe tagged "COUNTY SURVEYOR" having CCS 83 Zone 6 coordinates of Northing (y)=2167616.07 feet and Easting (x)=7083550.86 feet which bears South 74° 49' 58" West 1584.46 feet from NGS monument "EHREN" (PID DW1289) having CCS 83 Zone 6 published coordinates of Northing (y)=2168030.63 feet and Easting (x)=7085080.13 feet, said iron pipe also being the common corner of Sections 35 and 36 T.6 S., R. 23 E. and Sections 1 and 2 T.7 S., R. 23 E. S.B.M. as shown on the Record of Survey, filed on June 29, 1961 in Book 34 at pages 36 and 37 Riverside County Recorder's Office; thence South 30° 07' 09" East 183.47 feet to the POINT OF BEGINNING; thence North 65° 05' 08" West 85.88 feet; thence North 60° 11' 08" West 363.27 feet to the terminus of said centerline.

The sidelines of said strip shall be lengthened or shortened so as to begin and terminate at the historic centerline and historic right bank of said Colorado River.

PARCEL 2 (Line "C" - 30 inch pipeline - Abandoned)

A strip of land 50 feet wide, lying 25 feet on each side of the following described center line:

COMMENCING at a 1¼ inch iron pipe tagged "COUNTY SURVEYOR" having CCS 83 Zone 6 coordinates of Northing (y)=2167616.07 feet and Easting (x)=7083550.86 feet which bears South 74° 49' 58" West 1584.46 feet from NGS monument "EHREN" (PID DW1289) having CCS 83 Zone 6 published coordinates

of Northing (y)=2168030.63 feet and Easting (x)=7085080.13 feet, said iron pipe also being the common corner of Sections 35 and 36 T.6 S., R. 23 E. and Sections 1 and 2 T.7 S., R. 23 E. S.B.M. as shown on the Record of Survey, filed on June 29, 1961 in Book 34 at pages 36 and 37 Riverside County Recorder's Office; thence South 64° 09' 28" East 227.53 feet to the POINT OF BEGINNING; thence North 25° 36' 52" East 129.20 feet; thence North 59° 47' 52" East 885.13 feet; thence North 15° 10' 22" East 71.70 feet; thence South 74° 49' 38" East 220.14 feet to the terminus of said centerline.

The sidelines of said strip shall be lengthened or shortened so as to begin and terminate at the historic centerline of said Colorado River.

PARCEL 3 (Line "D" - 30 inch pipeline – Line 2001)

A strip of land 50 feet wide, lying 25 feet on each side of the following described center line:

COMMENCING at a 1¼ inch iron pipe tagged "COUNTY SURVEYOR" having CCS 83 Zone 6 coordinates of Northing (y)=2167616.07 feet and Easting (x)=7083550.86 feet which bears South 74° 49' 58" West 1584.46 feet from NGS monument "EHREN" (PID DW1289) having CCS 83 Zone 6 published coordinates of Northing (y)=2168030.63 feet and Easting (x)=7085080.13 feet, said iron pipe also being the common corner of Sections 35 and 36 T.6 S., R. 23 E. and Sections 1 and 2 T.7 S., R. 23 E. S.B.M. as shown on the Record of Survey, filed on June 29, 1961 in Book 34 at pages 36 and 37 Riverside County Recorder's Office; thence South 11° 37' 37" East 190.91 feet to the POINT OF BEGINNING; thence North 64° 16' 08" West 353.73 feet; thence South 88° 58' 52" West 227.72 feet to the terminus of said centerline.

The sidelines of said strip shall be lengthened or shortened so as to begin and terminate at the historic centerline and historic right bank of said Colorado River.

PARCEL 4 (36 inch pipeline – Line 5000)

A strip of land 50 feet wide, lying 25 feet on each side of the following described center line:

COMMENCING at a 1¼ inch iron pipe tagged "COUNTY SURVEYOR" having

CCS 83 Zone 6 coordinates of Northing (y)=2167616.07 feet and Easting (x)=7083550.86 feet which bears South 74° 49' 58" West 1584.46 feet from NGS monument "EHREN" (PID DW1289) having CCS 83 Zone 6 published coordinates of Northing (y)=2168030.63 feet and Easting (x)=7085080.13 feet, said iron pipe also being the common corner of Sections 35 and 36 T.6 S., R. 23 E. and Sections 1 and 2 T.7 S., R. 23 E. S.B.M. as shown on the Record of Survey, filed on June 29, 1961 in Book 34 at pages 36 and 37 Riverside County Recorder's Office; thence South 02° 53' 09" East 202.19 feet to the POINT OF BEGINNING; thence North 64° 22' 02" West 108.47 feet; thence South 38° 38' 10" West 87.17 feet; thence South 26° 54' 53" West 90.27 feet to the terminus of said centerline.

The sidelines of said strip shall be lengthened or shortened so as to begin and terminate at the historic centerline of said Colorado River.

EXCEPTING THEREFROM any portion lying within above described PARCEL 3.

BASIS OF BEARINGS for this description is CCS83 Zone 6 (Epoch 1992). All distances are grid distances.

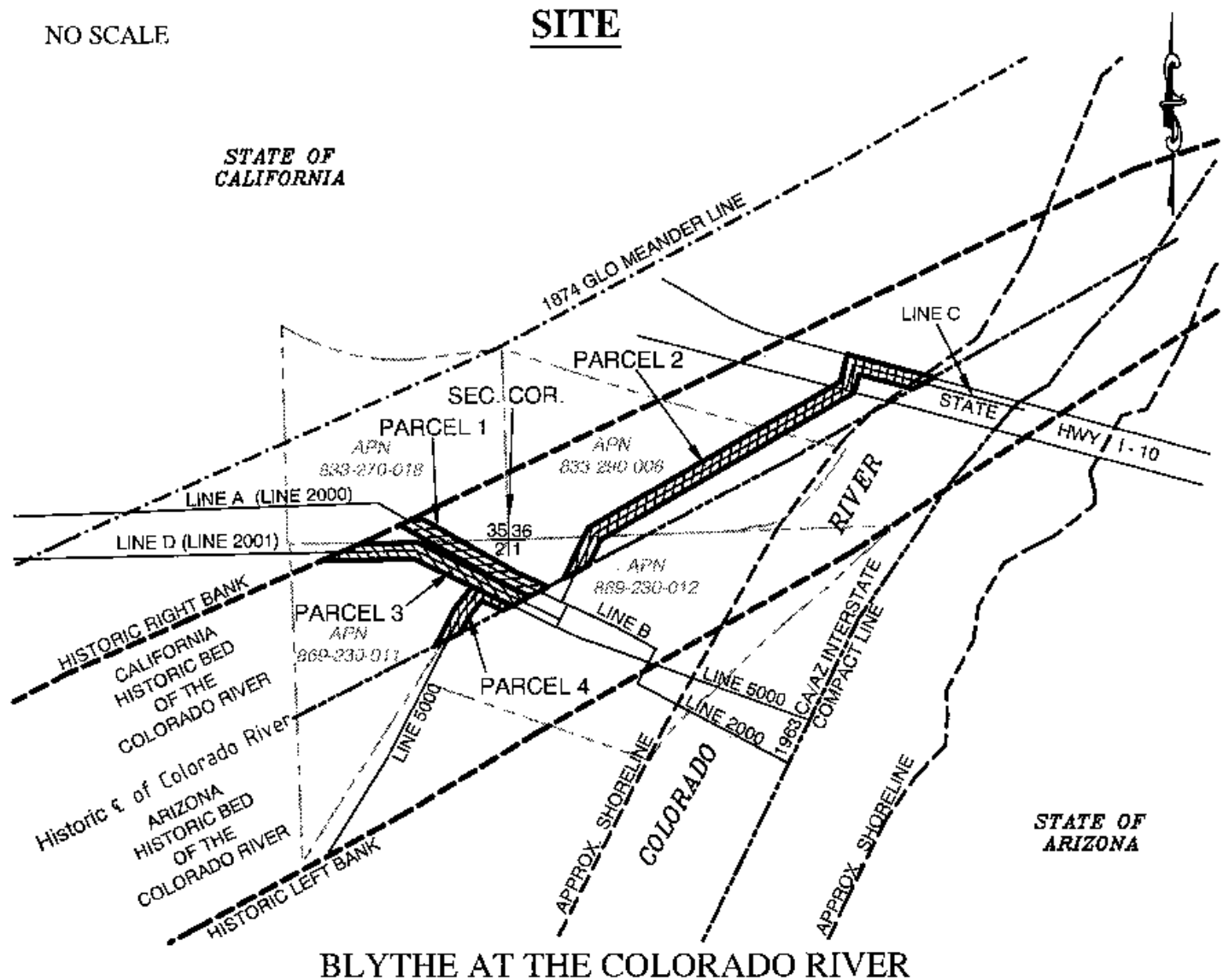
END OF DESCRIPTION

Prepared 02/20/14 by the California State Lands Commission Boundary Unit



NO SCALE

SITE



BLYTHE AT THE COLORADO RIVER

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

Exhibit B

PRC 3642.1
SOUTHERN CALIFORNIA GAS
COMPANY
APNs 869-230-011, -012;
833-290-006 & 833-270-018
GENERAL LEASE-
RIGHT-OF-WAY USE
RIVERSIDE COUNTY



TS 02/20/14